Power bills rising to help low-income

By Dave Anderton Deseret Morning News 28 November 2006 (c) 2006 Deseret News Publishing Co.

A rising number of Rocky Mountain Power customers who need help paying their electricity bills prompted the **Utah** Public Service Commission on Monday to raise electricity rates.

For residential customers, the increase, effective Nov. 20, amounts to only pennies a month, from 10 cents to 13 cents. The increase means a 33 percent jump in estimated annual revenues for Rocky Mountain Power, from \$1.7 million to \$2.3 million, for the assistance program.

Since 2000, a monthly line-item charge to assist low-income customers who earn 125 percent or less of the federal poverty level has been included on statements to Rocky Mountain Power customers. Households that qualify for the assistance receive an \$8 monthly credit on their power bills.

"Low-income households pay a much higher percentage of their incomes for energy," said Betsy Wolf, utility rate analyst with the Salt Lake Community Action Program, which works with low-income households. "A median-income household in Utah may pay about 3 percent of their annual income for energy bills. A low-income family may pay somewhere in the area of 12 to 25 percent. Sometimes in the winter months we see households that are paying 30 to 50 percent of their monthly income for their utility bills."

The average number of monthly recipients has increased to 23,977 in 2006, up 67 percent from 14,392 in 2001, according to filings with the PSC.

Wolf attributes the increasing number of low-income recipients seeking the subsidy to population increases and mounting energy costs.

David Taylor, manager for Utah regulatory affairs for Rocky Mountain Power, said at the end of October the fund had dipped to \$12,577.

"By the end of this month we will have consumed all of that and the fund will probably be running a deficit," Taylor said. "Over the last several months the amount of money that has been paid out on those credits has greatly exceeded the amount of money that has been collected on the surcharges."

Last year the program was criticized as an unlawful tax that does little to help the people it is targeted to serve.

At that time, Paul Mecham, a West Valley resident and former employee of the Utah Division of Public Utilities, said Utah code prohibits a public utility from charging an account holder for services the account holder never ordered or knowingly authorized.

Rocky Mountain Power customers who are interested in applying for the Home Electric Lifeline Program, or HELP, can call toll-free to 866-205-4357, or within Salt Lake County to 521-6107.

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